City of San Antonio

Legislation Details (With Text)

File #:	20-1108
Type:	Miscellaneous Item
In control:	City Council A Session
On agenda:	2/20/2020
Title:	Ordinance amending agreements related to the Westside Education & Training Center (WETC), Edgewood Independent School District, Alamo Colleges Workforce Specialty Center and Westside Development Corporation. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development & Operations]
Sponsors:	
Indexes:	
Code sections:	
Attachments:	1. Agreement, 2. Draft Ordinance, 3. Ordinance 2020-02-20-0109

Date	Ver.	Action By	Action	Result
2/20/2020	1	City Council A Session	adopted	Pass

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: District 6

SUBJECT:

Westside Education & Training Center Improvements

SUMMARY:

This Ordinance approves amendments to two agreements related to the Westside Education & Training Center (WETC), an Alamo Colleges Workforce Specialty Center operating at the former Lincoln Elementary School, property of EISD, located at 563 SW 40th Street in Council District 6:

A. A Memorandum of Understanding (MOU) between the Edgewood Independent School District (EISD), Alamo Colleges District (ACD), Westside Development Corporation (WDC), and the City of San Antonio (City) for the purpose of performing capital improvements to the Westside Education & Training Center (WETC).

B. A Funding Agreement with the WDC, originally in the amount of $500,000.00, for the purpose of making these initial improvements to the campus in support of continued workforce development.

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BACKGROUND INFORMATION:

The Westside Education & Training Center (WETC) was developed in 2006 and provides residents entry-level occupational and technical skills training. It began as a partnership between the City, Alamo Colleges District (ACD) and Edgewood Independent School District (EISD). EISD leases property to ACD at no-cost provided they perform the necessary maintenance and improvements. The facility in its current condition has reached capacity in the number of programs and students it can serve.

Earlier plans for the WETC included renovation of the existing buildings on the campus including mechanical systems upgrades and installation of an elevator. These capital improvements were previously estimated at $887,823.00. The improvements were to be funded through a $300,000.000 grant from the State of Texas and $500,000.00 in Unissued Certificates of Obligation that were approved in the FY 2015 Budget. The project scope, management, and funding was formalized in a Memorandum of Understanding (MOU) between EISD, ACD, the City, and the WDC. The WDC's Board of Directors approved the MOU on August 26, 2015 and the Boards of Trustees for EISD and ACD approved the MOU respectively on October 13, 2015 and October 27, 2015. City Council approved the MOU on November 19, 2015. City Council also approved a funding agreement with the WDC that provided access to the $500,000.00 for the proposed facility improvements.

The facility improvements were delayed because partners felt that the project scope was inadequate for the needs of the WETC and ACD wanted to pursue additional funding through their 2017 bond program for construction of a new campus instead of renovating existing facilities. In 2017, $23 million of ACD's $450 million bond program was approved for the WETC. The revised project cost for the new campus is $24.7 million, which includes the $23 million in ACD bond funds, $500,000 from the City, and $300,000 from the State of Texas. The partners are committed to identifying additional funds for the project, or reducing the size of one of the new buildings, to complete the project. The new scope of work includes construction of two new buildings totaling 51,520 square feet, tenant improvements within the new facility, and related site improvements. Therefore, both the MOU and the Funding Agreement must be amended to reflect the revised project scope and funding sources for the project.

ISSUE:

Amendment of the MOU and Funding Agreement is required to enable all parties to proceed with the WETC improvements. The primary terms of the MOU include the development and purpose of the WETC, establishment of the WETC Advisory Board, and the scope of work for improvements to the WETC. The revised project includes construction of two new buildings totaling 51,520 square feet, tenant improvements within the new facility, and related site improvements, at a cost of $24,672,781.00. The buildings will be constructed on a vacant portion of the site located at 563 SW 40th Street in Council District 6. Groundbreaking is planned for March 2020 and construction is scheduled for completion in April 2021.

The WETC will continue to operate in its current location on the same property until project completion. Other tenants at the WETC include the Family Service Association, Education Service Center Region 20, Project Quest, San Antonio Housing Authority, Public Allies and La Printeria, among others. These tenants will continue operations in the new facility on an ongoing basis. For its role in helping execute and guide the community strategic vision for the new WETC campus including the City's investment, the WDC will receive a 25-year no cost lease at the new building.

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The funding agreement between the City and WDC must be amended to reflect the revised project cost and scope of work. The current Funding Agreement states that the City's contribution must be used for improvements to the existing facility. The Funding Agreement will be amended to allow for the City funds to contribute to the construction of the new campus.

ALTERNATIVES:

City Council may elect not to approve the Amendments to the Memorandum of Understanding and the Funding Agreement. Without these amendments, the project will be short $500,000.00 and may be delayed or not happen as a result.

FISCAL IMPACT:

A. This ordinance amends a Memorandum of Understanding with the Edgewood Independent School District, Alamo Community College District and Westside Development Corporation to address several key issues concerning the site and operations. There is no fiscal impact to the City.

B. Additionally, this ordinance amends a Funding Agreement approved by City Council in November 2015 with the Westside Development Corporation to allow for changes to the project scope. No additional funding is proposed by this ordinance.

RECOMMENDATION:

Staff recommends approval of the Ordinance authorizing the negotiation and execution:

A. Approval to Amend the Memorandum of Understanding with the Edgewood Independent School District, Alamo Colleges District and Westside Development Corporation in connection with the funding and construction of capital improvements to the Westside Education and Training Center.

B. Approval to Amend the Funding Agreement with the Westside Development Corporation to allow for changes to the project scope representing the City's contribution towards the funding and construction of capital improvements to the Westside Education and Training Center.

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